



**Legislative Department  
Seattle City Council  
Memorandum**

**Date:** November 12, 2009

**To:** Sally Clark, Chair  
Tim Burgess, Vice Chair  
Tom Rasmussen, Member  
Planning, Land Use and Neighborhood Committee (PLUNC)

**From:** Michael Jenkins, Council Central Staff

**Subject:** Council File 308884, Petition of Children's Hospital to create a new Major Institution Master Plan (MIMP) for the Children's Hospital Campus, located at 4800 Sand Point Way NE (Projects Numbers 3007521 & 3007696).

This memorandum provides an overview and summary for Council members on a variety of topics related to the proposal including:

1. Council authority concerning MIMP's;
2. An overview of the site and surrounding area;
3. A summary of the MIMP request, including details of proposed program elements and development standards;
4. Summary of the environmental review;
5. The role of the Citizen's Advisory Committee (CAC) and a summary of their work;
6. A summary of the Department of Planning and Development (DPD) and the Hearing Examiner's review;
7. A summary of the Hearing Examiner's recommendation;
8. Overview of the process for appealing the Hearing Examiner's recommendation; and,
9. A proposed schedule of review.

The summary is taken from a number of exhibits provided to the Council by the Hearing Examiner. This report is included in a binder containing key documents including the MIMP, the Hearing Examiner's recommendation on the MIMP and, decisions on the Final and Revised Final Environmental Impact Statements.

## **1. City Council authority concerning Major Institution Master Plans (MIMP)**

The City Council’s authority to review a proposed MIMP derives from two laws: the City’s Land Use Code and the City’s SEPA<sup>1</sup> ordinance.

The Land Use Code gives the Council broad discretion to approve, approve with conditions, deny or remand a proposed MIMP. However, the Council’s decision must be based on the evidence in the record that was created by the hearing held by the City’s Hearing Examiner. The record consists of testimony, public comment and exhibits to support or oppose the request for a new MIMP. The Council’s decision must be “based on applicable law and substantial evidence in the record”

The City’s SEPA ordinance gives the Council the authority to approve, approve with conditions, or deny the MIMP based on the potential impacts to the environment identified in the Revised Final Environmental Impact Statement.

The Council has authority to remand the matter to the Citizen’s Advisory Committee, DPD and the Hearing Examiner if the Council determines that a significant master plan element was not adequately addressed by the proposed MIMP.

Council review of a proposed MIMP is a “Type IV” land use decision under the City’s Land Use Code. As such, it is a “quasi-judicial” decision that is subject to state and local laws restricting the manner in which such decisions are made. Council review is subject to the City Council’s Rules for Quasi-judicial Proceedings. Among other things, these rules prohibit Councilmembers from engaging in certain one-sided or “ex parte” communications with proponents or opponents regarding the proposed MIMP.

## **2. Overview of site and surrounding area**

Seattle Children’s Hospital (Children’s) existing campus covers approximately 21.7 acres at 4800 Sand Point Way NE. The campus is approximately 1 mile east of the University Village Shopping Center and ½ mile from the closest Urban Village (University Community Urban Center Village). The campus is generally bounded on the northwest by Sand Point Way NE, on the North by NE 50<sup>th</sup> Street, on the east by 44<sup>th</sup> Avenue Northeast, on the south by NE 45<sup>th</sup> street and to the west by a shared property line with the Laurelon Terrace Condominiums, a 6.7 acre, 136 unit multifamily development. The existing campus houses several medical buildings including hospital facilities, outpatient care, medical offices and two separate parking structures. Attachment A to this memo is a map that shows the existing campus and the surrounding neighborhood and the current zoning for the area. (Figure 45, Hearing Examiner’s Exhibit 4).

Children’s also owns a 1.7 acre site (Hartmann) along Sand Point Way, approximately one-quarter mile southwest of the existing main campus. Hartmann is a 16,000 square foot

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<sup>1</sup> State Environmental Policy Act.



structure that houses a Children's clinic with 80 surface parking spaces, and is accessed directly from Sand Point Way NE. The Hartmann site is zoned Lowrise 3 and is considered a legally nonconforming use in this zone. Children's also has a part ownership in the Springbrook Building, located the intersection of NE 45th Street and Sand Point Way NE, and leases 6,700 square feet of office space in the building. The Hartmann and Springbrook buildings are not included in the existing campus.

Zoning for the Children's campus is established under authority provided in Seattle Municipal Code (SMC) Chapter 23.69, Major Institution Overlay (MIO). This code chapter allows the zoning regulations of the MIO, including height, setback and lot coverage, to supersede the underlying zoning. The underlying zoning for the campus is Single Family 5000 (SF 5000). The existing MIO height limits range from 37 feet along the edges of the campus adjacent to residential uses, rising to 90 feet at the center of the campus. The area surrounding the campus is zoned Single Family 5000 (SF 5000). However, the Laurelon Terrace complex (Laurelon) to the west of the existing campus is zoned Lowrise 3 (L3) as is the Hartmann facility.

Existing access to the campus is provided along Sand Point Way through a curbcut and driveway leading up to the campus medical buildings and related parking facilities. 2,182 parking spaces are provided for Children's, 640 of which are located off-campus in leased facilities. 80 parking stalls are also located across the street at a building owned by Children's at Hartmann. Secondary access points are located along NE 45<sup>th</sup> Street near the SE corner of the site (secured entrance for service vehicles) and along the east campus boundary on 44<sup>th</sup> Avenue NE (city utility emergency access only). Three bus stops are also located on or adjacent to the campus. Attachment B is Figure 53 from the Final MIMP (Hearing Examiner's Exhibit 4) that documents the location of existing transportation and parking facilities.

### **3. Summary of MIMP Request**

Seattle Children's Hospital (Children's) has requested the approval of a new Major Institution Master Plan (MIMP) to govern development at their existing facility located at 4800 Sand Point Way. Children's current MIMP was approved in 1994 and was designed to accommodate up to 250 beds in 200 rooms for patient care. The 1994 MIMP allowed buildings totaling 900,000 square feet for the campus. Since then, Children's has reached the approved number of beds, and built all but 54,000 square feet of the space approved by the 1994 MIMP.

Children's is requesting the approval of a new MIMP that would accommodate growth up to 2027. The request would allow up to 600 beds to be located in 600 rooms for patient care. To accommodate this growth, Children's has requested a total area of 2,400,000 square feet, resulting in an increase of approximately 1,500,000 square feet of hospital and related space. Children's estimates that this amount of growth is necessary to implement its stated role in providing a complete range of pediatric health care for the region. Children's estimates that 4,000 square feet per bed is required to complete its mission, when the accompanying range of pediatric and related support services is included. Children's proposed growth assumes that the range of pediatric services they intend to offer would need to be fulfilled by Children's as

opposed to other institutions around the state. Further, Children's assumptions for growth require verification through a Certificate of Need review by the Washington State Department of Health.

Attachment C shows the proposed Major Institution Overlay (MIO) from Figure 46, Hearing Examiner's Exhibit 4.

#### A. Development program

SMC 23.69.030D requires that a MIMP include a development program that describes both planned and potential physical development. Planned development is what the Institution has definite plans to develop, as opposed to potential development, which may occur later. Page 66-69 of the MIMP details the planned and potential projects, their respective elements (timeline, square footage, demolition and parking) and different phases in which they would occur. Phase 1 projects are "planned" while the remaining three phases are "potential" development. Attachment D (Page 66, Hearing Examiner Ex. 4) is a table that describes each phase of development.

SMC 23.69.030E details the components of the development program that must be addressed in a MIMP. These elements are summarized below and have been provided in the MIMP. I have also referenced the pages of the MIMP where this information can be found. However, the information is often repeated throughout the MIMP. Attachment E is Figure 34 from the MIMP, showing the proposed Master Plan.

1. A description of alternative proposals (Pages 21-23)
2. Density shown in both maximum gross floor area and floor area ratio (FAR) for the MIO District (Pages 44-45)
3. The maximum number of parking spaces allowed for the MIO District; and (Pages 44-45)
4. Detailed descriptions of the following existing and planned future physical development elements:
  - Building Height (Pages 46-53)
  - Gross floor area and building location (Pages 44-45, 66-69 and 78-81)
  - Open space, landscaping and screening (Pages 54-57 AND 83)
  - Public and private street layout (Pages 58-60)
  - Parking areas and related structures (Pages 59-61)
5. A site plan with property lines of the existing and future MIO, including proposed expansions, with structures that are owned or leased by the Institution within 2,500 feet of the MIO (Pages 63-66)
6. Three-dimensional drawings to illustrate the height, bulk and form of existing and planned and potential physical development (Pages 42-53)
7. A site plan showing any planned infrastructure improvements and their timing



8. Planned development phases and plans, with sequencing of construction and occupancy (Pages 66-69)
9. Planned street or alley vacations (Pages 70-71)
10. A description of potential uses and related developments
11. An analysis of how the MIMP is consistent with the purpose and intent of the Major Institution code
12. A discussion of any plans for decentralization or location of Children’s functions off campus
13. An optional report from the CAC related to the ways in which the institution will address goals and applicable policies in the Human Development Element of the Comprehensive Plan, and the public benefits and public purpose that arise from the MIMP’s proposed developments.

The following Table 1 compares the current and proposed program elements at Children’s:

**Table 1: Current and Proposed Program Elements**

Features	Current conditions	MIMP –Preferred Alternative 7R
Number of beds	250	500-600
Number of rooms	200	600
Size of site	21.7 acres	29 acres
Square feet of buildings	900,000 authorized, 846,000 constructed	2.4 million gross square feet (including development on the Hartmann and Laurelon sites, and excluding the lease of 6,700 square feet office space in the Springbrook office building)
Number of parking spaces	2,182, including 80 at Hartmann and 640 leased off-site	3,100 in MIO, including 225 at Hartmann, and up to 500 additional leased off site
Zoned height limits, in feet	37, 50, 70 and 90	37, 50, 65, 70, 90, 160 (requires a rezone in addition to approval of the MIMP)
Tallest permitted building	74 feet, plus 15 feet for mechanical equipment on the roof	140 feet, plus an additional amount for screened mechanical equipment on the roof
Floor Area Ratio (FAR) in MIO	.9	1.9
Vehicle Access	Sand Point Way	Sand Point Way and 40 <sup>th</sup> Ave NE

One of the major program elements proposed in the MIMP is to expand the existing MIO boundaries by 7.3 acres. This would be accomplished by adding two properties to the overlay, as follows:

- Addition #1: The first addition to the campus would come from the acquisition and demolition of the abutting Laurelon Terrace Condominiums. SMC 23.34.124 prohibits the demolition of residential structures as part of an MIO expansion, unless comparable replacement housing is proposed. Children’s proposes to meet that requirement by paying the City \$5,000,000, but this is disputed by appellants, and the Council will need to decide whether Children’s proposal complies with SMC 23.34.124. The Laurelon expansion also assumes two street vacations that divide Laurelon, accessed from Sand Point Way NE and 40<sup>th</sup> Ave NE. The zoning at Laurelon is proposed to be changed from Lowrise 3 to MIO with a 160 foot height limit.
- Addition #2: The second MIO expansion assumes the incorporation of the Hartmann property into the campus, and includes a proposed rezone from Lowrise 3 to Major Institution Overlay (MIO) with a 65 foot height limit.

#### B. Development standards

SMC 23.69.030C requires that the following elements be included in a MIMP:

- Existing underlying zoning in the MIO;
- Any changes to the existing zoning along with the reasons the changes are needed;
- Structure setbacks along public rights-of-way and at the boundary of the MIO District;
- Height limits when they exceed the limits of the underlying zone;
- Lot coverage for the entire MIO; Landscaping; and
- Percentage of MIO District to remain as open space.

In addition, the Major Institution may choose, or the Director may require the Major Institution to address, the following elements, all of which have been provided by Children’s:

- Transition in height and scale between development within the MIO and development in the surrounding area,
- Width and depth limits for structures, or other measures by which a reduction in the apparent bulk of a structure may be achieved,
- Setbacks between structures that are not located on a public right-of-way or along the boundary of the MIO District,
- Preservation of historic structures that are designated on federal, state or local registers,
- View corridors or other specific measures intended to mitigate the impact of Major Institution development on the surrounding area,
- Pedestrian circulation within and through the MIO District.

Table 2 compares the key development standards that currently apply to Children’s and those proposed under the MIMP. These can be found in the final MIMP, Pages 88-91.

**Table 2: Current and Proposed Development Standards**

<b>Standard</b>	<b>Existing MIMP or Zoning Outside the current MIO Boundaries</b>	<b>Proposed MIMP</b>
<b>Building height</b>		
Campus	37, 50, 70, 90	37, 50, 65, 70, 90 and 160
Hartmann	30 feet	65 feet
<b>Lot coverage</b>		
Campus	35%	51%
Hartmann	N/A, based on underlying zoning	55%
<b>Setbacks</b>		
Campus	Various from 20 to 75 feet, based on proximity to residential neighborhoods and nearby roads	Various from 10 to 75 feet, based on proximity to residential neighborhoods and nearby roads
Hartmann	N/A	10 feet along Sand Point, 20 along remaining property lines, 60-80 feet at Northwest corner for tree retention
<b>Landscaping</b>		
Campus	208,941 square feet	216,755 square feet
Hartmann	N/A	19,000 square feet
<b>Open Space</b>		
Campus	9.7 acres, or 45% of lot	12.27 acres or 41% of lot
Hartmann	N/A	.62 acres, or 35% of lot
<b>Floor area ratio</b>		
Campus	.9	1.9
Hartmann	.2	1.9



### C. Transportation Management Program (TMP)

SMC 23.69.030F sets the minimum requirements for a TMP, including descriptions of existing and planned facilities for parking, loading, non-motorized travel and circulation systems within the MIO and in relationship to the external street system. The TMP must also include specific programs to reduce traffic impacts and encourage alternatives to single-occupant vehicles. To support growth at the campus, the existing TMP is proposed to be enhanced to reduce the existing single occupancy vehicle rate for day time trips from 38% to 30%.

The elements of the proposed TMP can be found on Pages 93-108 of the MIMP.

### D. Rezone request

The current height limits for properties within the existing MIO are found on Figure 45, Page 63 of the MIMP. Generally, the greatest amount of existing building height is centered within the existing MIO, rising from a 37 foot height limit along the perimeter, including north and east portions of the site, to a permitted height limit of 90 feet. The 90 foot height limit is currently conditioned to not exceed 74 feet, with some allowances for rooftop equipment up to 89 feet in height. A portion of the site is zoned to 70 feet but conditioned to no more than 54.5 feet in height.

The proposed MIO height limits are found on Figure 46, Page 65 of the MIMP. The existing MIO height limits would generally be retained, but the height conditions would be eliminated, so permitted heights would be greater. A new 65 foot MIO height limit would be established in the north portion of the existing MIO, to allow construction of a new above ground parking garage. A MIO 160 height limit is proposed for the Laurelon expansion, with the height in the southern portion of this area limited to 140 feet.

Height at the proposed MIO expansion area at Hartmann is set at 65 feet.

Attachment A, referenced above, shows the existing height limits while Attachment C, also referenced above, shows the proposed height limits.

## **4. Summary of the environmental review**

SMC 23.69 requires that an environmental determination under the State Environmental Policy Act (SEPA) be made on the development anticipated under a proposed MIMP. In July 2007, Children's developed a concept MIMP that was used to start the public review process. In August 2007, DPD made a determination that the scope of development outlined in the concept MIMP required an Environmental Impact Statement (EIS). Following procedures outlined in SMC 25.05 concerning the development of an EIS, DPD held a public scoping meeting in August 2007 to obtain public comment. Following this meeting, DPD determined that the following elements would be evaluated in the EIS:

- Geology
- Air quality
- Water
- Energy/Natural Resources
- Noise
- Hazardous Materials
- Land Use
- Height bulk and scale
- Transportation
- Public Services
- Construction related impacts (noise, traffic, etc)

Four potential MIMP alternatives, including a no-build alternative, were analyzed in the Draft EIS, which was published at the same time as the draft MIMP. The preparation of the final MIMP ran concurrent with the completion of the Final EIS, which, included numerous public comments and responses to those comments from Children's. The Final EIS (FEIS) is found in Hearing Examiner's Exhibit 6, along with several volumes of appendices.

The following MIMP alternatives were considered in the FEIS:

- |                |   |   |
|----------------|---|---|
| Alternative 1  | – | No-build  |
| Alternative 3  | – | Expansion in South Campus within existing MIO boundaries  |
| Alternative 6  | – | Expansion in the North Campus within existing MIO boundaries                                    |
| Alternative 7R | – | Expand MIO boundaries, acquire Laurelon, expand MIO to Hartmann<br>(preferred MIMP alternative) |
| Alternative 8  | – | Same as 7R without Hartmann expansion   |

A helpful comparison of each alternative is provided in the FEIS on pages 1-9 through 1-25, including a summary of the impacts of each alternative assuming the proposed phasing of development under the MIMP. A summary of mitigating measures is also provided in the FEIS on pages 1-25 through 1-32. Finally two tables outlining a summary of significant unavoidable adverse impacts are provide along with a summary of secondary and cumulative impacts in the FEIS on pages 1-33 through 1-36. Tab 6 and 7 in your binder includes these summaries.

FEIS Pages 2-7 through 2-28 provide a more detailed analysis of each alternative analyzed in the FEIS. Pages 2-29 through 2-33 detail alternatives dropped from consideration in the MIMP and therefore not evaluated in the FEIS. Finally, each element of the environment evaluated in the FEIS is detailed, by alternative, in Section 3 of the FEIS.

## **5. The Citizen's Advisory Committee**

A fundamental element in the approval of a new MIMP is the appointment and participation of a Citizen's Advisory Committee (CAC). SMC 23.69.032 provides specific details related to the appointment and role of the CAC.

Generally, the Land Use Code limits the size of a CAC to 12 members. However, the Children's CAC had 15 members with 3 alternates. The members all had individual voting rights and represented a cross section of residential, business and community groups. Also represented were consumer groups using the Institution and other individuals or organizations directly affected by the activities of the Institution. Three non-voting, ex-officio members were also appointed including representatives from Children's, staff from DPD, and a representative from the Department of Neighborhoods who acted as staff to the CAC.

Following their appointment by Council resolution (Resolution 31002, dated July 30, 2007), the CAC held a total of 26 meetings to review various plans, reports, studies and technical information concerning the growth planned by Children's. A significant element of these meetings included the consideration of public comment on a variety of issues, both for and against the various alternative development proposals detailed in the MIMP.

The work of the CAC resulted in their recommending alternative 7R, with CAC members voting 13 in favor, 1 opposed and 1 abstaining. The CAC made a total of 12 recommendations in their report. In addition, six separate Minority reports were developed on one or more of the recommendations, requesting amendments to the CAC's recommendations. The minority reports are found in Appendix A to the CAC report.

The CAC's recommendations are found in Hearing Examiner's Exhibit 8. Their report includes a summary of the recommendations with supporting notes, a summary of public comment, minutes of each meeting and an appendix including minority reports related to each of the recommendations where opposing votes were cast. A summary of the meetings and agendas of the CAC can also be provided to Councilmembers.

## **6. DPD recommendation and the City's Hearing Examiner's review**

SMC 23.69.032 details the process by which a final MIMP is created. The Department of Planning and Development is charged with developing a recommendation on the proposed MIMP, including an Environmental Impact Statement (EIS) evaluating the environmental impacts of the proposal along with providing mitigating measures. The MIMP process began in spring of 2007, leading to the publication of a draft MIMP and draft EIS in June 2008 and the Final MIMP and FEIS in November 2008. The DPD's Director's report and Recommendation were issued on January 20, 2009 followed by the CAC's final report on February 3, 2009. 600 public comments were provided during the development of the MIMP and EIS. DPD also conducted a public hearing on the draft MIMP and EIS in July 2008 at which 66 people testified.



The Hearing Examiner conducted a six-day consolidated hearing on both the proposed MIMP, and the appeal of the final EIS. This hearing started on March 2 and ended March 10, 2009. 153 public comments were submitted, and testimony was provided during the hearing by 65 members of the public. The Hearing Examiner issued a decision remanding the FEIS and MIMP for further analysis on the land use and housing impacts. Her remand included the following conclusions that underscored the need for further analysis:

*The FEIS fails to provide necessary information on the scope and details of the impact of demolishing 136 units of moderate-income housing, such as the average square footage and size of the units, the appraised value of the units, and the cost in current dollars to replace them. Without such basic information, the Council lacks a baseline for determining the extent of the impact and thus, cannot determine whether any proposed mitigation package satisfies the Code requirement for comparable replacement housing. As a result, the Council cannot make the balancing judgment mandated by SEPA, SMC 25.05.448, or by SMC 23.34.124.*

*The land use section of the FEIS must review the nature, significance and interrelationship of all applicable parts of the land use planning scheme and the proposal's relationship to it. Because it does not do so, it is inadequate.*

Following this remand, DPD developed a revised FEIS addressing the Hearing Examiner's decision. The Revised FEIS (RFEIS) was made available for review and comment in May 2009. An appeal was filed on publication of the RFEIS on June 11, 2009. The matter returned to the Hearing Examiner for a two day hearing on July 14 and 15, 2009, which included a second appeal of the adequacy of the RFEIS and a continued MIMP hearing.

## **7. The Hearing Examiner's Recommendations**

The Hearing Examiner issued her findings and recommendation on the proposed MIMP on August 11, 2009, including 129 findings and 46 conclusions (Tab 3 in your binder). The decision on the RFEIS was also issued on this date, concluding that the RFEIS adequately mitigated the impacts related to the demolition of Laurelon. The Hearing Examiner found that the RFEIS provided a "reasonably thorough discussion of the probable significant impacts of the proposal" related to both the land use and housing impacts. The decision on the RFEIS and FEIS are included in your binders.

The Hearing Examiner recommended that the Council deny the requested MIMP (Attachment G). She further recommended 43 separate MIMP and SEPA conditions that should be applied if the Council decides to approve the MIMP, to address impacts of the development anticipated in the proposal. These conditions can be found on Pages 30-37 of her report.

The rationale for the Hearing Examiner's recommendation to deny the request is primarily found on Page 29 of her report in a section titled 'Balancing'. This section is introduced by a statement that *'balancing the need of an institution to change, and the benefits associated with*

*that change, with the need to protect the livability and vitality of adjacent neighborhoods requires an appreciation for the context for the balancing’.*

The Hearing Examiner raised a number of points to support this conclusion:

- The Hearing Examiner included references to the Comprehensive Plan and its urban village strategy, directing residential and job growth to Urban Center and Villages.
- Children’s and the surrounding Laurelhurst Neighborhood was not designated an Urban Center or Urban Village when such areas were designated in the 1990’s.
- The Hearing Examiner concluded that Children’s proposed MIMP is inconsistent with the Urban Village strategy, as it seeks heights that exceed those at other major institutions outside of an urban village or urban center and that the development proposed under the MIMP is at an intensity designed for an urban village. The Hearing Examiner does note that major Institutions are permitted outside urban villages or centers.
- The Hearing Examiner concluded that a “less ambitious expansion” may be necessary due to traffic impacts and height bulk and scale impacts resulting from proposed Children’s expansion.
- The Hearing Examiner concluded that the MIMP may be seen as precedential for other institutions located outside “growth areas”. The Hearing Examiner concluded that Children’s has avoided scrutiny of relative need by avoiding alternatives to the proposed 2.4 million square foot scenario.

In her recommendation, the Hearing Examiner focused her findings and conclusions on 8 separate issues. These issues, and her conclusions that support the recommendation, are summarized in Table 3 below.



**Table 3: Summary of Hearing Examiner Recommendations**

Issue	Conclusion
1. Need and public benefit	<ul style="list-style-type: none"> <li>The Hearing Examiner concluded that it is necessary, pursuant to the land use code, to know with “some degree of accuracy” what the Major Institutions “needs” actually are.</li> <li>The neighborhood group allegations that refute Children’s need analysis could not be sustained due to incorrect assumptions concerning total bed need for Children’s.</li> <li>Children’s demonstrated that an approved MIMP is the first step in a successful application for a Certificate of Need from the State of Washington.</li> <li>Children’s demonstrated that the need for specialized pediatric care over 20 years exists. No other care providers are likely to fill this need.</li> </ul>
2. Boundary expansion	<ul style="list-style-type: none"> <li>The Hearing Examiner concluded that nearby residential neighborhoods are better protected by expansion into the Laurelon Terrace site than accommodating growth within existing boundary.</li> <li>The Hearing Examiner concluded that if it is accepted that Children’s must fill the need for specialized care statewide, the expansion of the MIO to Hartmann would reduce heights on main campus, including the Laurelon expansion area, while reducing proximity of new development to residential areas.</li> <li>Sand Point Way cannot be seen as a firm boundary for the institution, due to limits on expanding into single family zoned neighborhoods and lack of site control on an adjacent commercially zoned property.</li> <li>The Hartmann site has been used historically by Children’s for medical services.</li> <li>The benefit to the neighborhood of expansion at Hartmann outweighs the risk to adjacent residential neighborhoods.</li> <li>The Hearing Examiner recommended adopting the CAC’s conditions on reducing bulk and scale impacts from the proposed buildings on the campus.</li> </ul>
3. Intensity of Development	<ul style="list-style-type: none"> <li>The increase in allowed lot coverage will increase development intensity but not to an unreasonable extent.</li> <li>Since FAR does not apply in the underlying zoning, there are no prescribed standards to look to for the proposal</li> <li>The request for FAR should exclude only rooftop mechanical equipment and any portions of structures below grade.</li> </ul>
4. Development standards	<p><b>Setbacks</b></p> <ul style="list-style-type: none"> <li>The proposed 20 foot setback on 40<sup>th</sup> Ave NE, in combination with the proposed height and upper level setbacks, does not provided an adequate transition between adjacent multifamily and commercial uses and proposed 160 foot height limit on campus.</li> <li>The 40 foot boundary on the southern property line of the expanded Laurelon Terrace site would be more reasonable at 75 feet, similar to existing campus along with additional landscaping.</li> <li>Increasing the south setback may result in constructing the proposed southwest garage below grade, but no analysis of this is in the record.</li> <li>Remaining setbacks and move of expansion area to Laurelon expansion area provides sufficient buffer to single family zones.</li> <li>Hartmann development provides appropriate transition in height and scale to surrounding development; the CAC recommended setbacks for Hartmann should be adopted</li> </ul>
5. Transportation, Parking and access	<ul style="list-style-type: none"> <li>Additional mitigation of transportation impacts can occur as part of reviewing the Master Use Permit application for each project outlined in the MIMP. This provides an extra safeguard.</li> </ul>



	<ul style="list-style-type: none"> <li>The Hearing Examiner noted that 40 to 60% of the adverse traffic impacts cannot be mitigated and that approval of the MIMP requires accepting these adverse unmitigated impacts.</li> <li>The CAC's recommendation to limit access from 40<sup>th</sup> Ave NE should not be accepted if the MIMP is adopted.</li> <li>The transportation analysis would be more accurate and mitigation more effective if more information about future development along SR 520 was used during the Master Use Permit process.</li> </ul>
6. Construction impacts	<ul style="list-style-type: none"> <li>The CAC's recommended condition for construction impacts should be included.</li> </ul>
7. Housing	<ul style="list-style-type: none"> <li>Due to their expertise, the Hearing Examiner defers to the Office of Housing interpretation of SMC 23.34.127 that allows the provision of gap financing to enable the required replacement housing to be provided.</li> <li>The underlying intent of SMC 23.34.127 is served through paying the owners of Laurelon Terrace up to 2.5 times of the market value of their housing units in order for Children's to acquire and develop the site.</li> <li>The MOA should clearly state the exact manner in which replacement housing obligations were calculated, due to the presumed credit of \$1.8 million given to Children's for payments made to Laurelon Terrace residents.</li> </ul>
8. Height district rezone	<ul style="list-style-type: none"> <li>The Hearing Examiner concluded that the impact resulting from a rezone to the proposed 160 foot height limits, as conditioned, cannot be minimized by the use of the proposed transitions in height, upper level setbacks and increased property line setbacks, due to the proximity of adjacent heights of neighboring development.</li> <li>The Hearing Examiner concluded that while proposed heights above 40 feet can be considered outside of an urban village in the case of Major Institutions, the proposed heights are not consistent with the 74 foot height limit in Children's existing MIMP.</li> <li>The Hearing Examiner also found that the area does not have a neighborhood plan, nor is the proposal consistent with the neighborhood's character.</li> </ul>

## **8. Appeals of Hearing Examiner Recommendation**

On August 11, 2009, the City's Hearing Examiner mailed notice of the recommendation on the MIMP and the decision on the RFEIS to people who provided public comment at her hearing as well as those that provided testimony at the hearing. The recommendation was also required to be sent to people who provided comment to DPD during development of the MIMP. These two groups of people are required to receive notice of a MIMP recommendation, as this notice begins the 14 day period during which people have the opportunity to appeal the Hearing Examiner's recommendation on the MIMP.

Eleven valid appeals were filed. By filing a valid appeal, a person becomes a "party of record", which is the standing required to argue before the City Council on the merits of any appeal.

Council rules allow a class of persons to file a response to a valid appeal. The parties of record may then file replies to those responses. The response period began on September 8 when the Council mailed notice of the appeals that had been filed, and ended on September 21. The reply period concluded on September 28. Nine timely responses and six timely replies were filed.

Following the conclusion of this process, the City's Hearing Examiner found that not all individuals who *should* have been provided notice of her recommendation had received proper notice. Accordingly, the notice period was recommenced on October 9, 2009, to allow the people who had not received proper notice the opportunity to 1) file an appeal followed by 2) an opportunity to respond and reply. The following is a list of valid appeals, responses and replies resulting from the original August 11 mailing and the subsequent October 9 mailing. Copies are also included in your binders under Tabs 8-10:

### **Appeals**

- Laurelhurst Community Club appeal of Hearing Examiner's conditions related to the findings and conclusions
- Seattle Community Council Federation appeal of Hearing Examiner's conditions related to the findings and conclusions
- Hawthorne Hills Community Council appeal of Hearing Examiner's conditions related to the findings and conclusions
- Appeal of the Seattle Displacement Coalition and the Interfaith Task Force concerning findings on portions of the Hearing Examiner's recommendation concerning housing replacement
- Coalition of Major Institutions appeal of the Hearing Examiner's recommendation
- Catherine Henning's appeal of the Hearing Examiner's recommendation

- Appeal of the Friend's of Children's Hospital of the Hearing Examiner's recommendation
- Seattle Children's Hospital appeal of the Hearing Examiner's recommendation
- DPD's appeal of the Hearing Examiner's recommendation
- Appeal of the Hearing Examiner's recommendation by Steven and Dixie Wilson
- Appeal of the Hearing Examiner's recommendation by Laurelon Terrace.

### **Responses**

- Laurelhurst Community Club responses to appeals of DPD, Children's Hospital, Laurelon Terrace, Steve and Dixie Wilson, Friend's of Children's Hospital, et al.
- Karen Wolf response to appeals of Hawthorne Hill Community Club, Laurelhurst Community Club and the Seattle Community Council Federation
- Greater Seattle Chamber of Commerce response in support of Coalition of Major Institution's Appeal and in opposition to the Hearing Examiner's recommendation
- Friend's of Children's Hospital response to Seattle Community Council Federation
- Steve and Dixie Wilson response to appeal of Laurelhurst Community Club
- Myriam Muller response to appeals of Steve and Dixie Wilson, Catherine Hennings and Seattle Displacement Coalition
- DPD's response to the appeals of Laurelhurst Community Club, Hawthorne Hills Community Council, Seattle Community Council Federation and the Seattle Displacement Coalition
- Colleen McAleer's response to the appeals of Seattle Children's Hospital, Coalition of Major Institutions, Steve and Dixie Wilson and Friends of Children's Hospital
- Seattle Children's Hospital response to the appeals of Laurelhurst Community Club, Seattle Community Council Federation Hawthorne Hills Community Council and the Seattle Displacement Coalition
- Response by Grace Yuan to Children's Hospital appeal

### **Replies**

- Seattle Children's Reply to Responses of Laurelhurst Community Club
- Reply by Seattle Displacement Coalition to DPD and Children's responses
- DPD reply to Laurelhurst Community Club response
- Reply of Steve and Dixie Wilson to Laurelhurst Community Club response
- Reply of Laurelon Terrace to Laurelhurst Community Club response
- Reply by Laurelhurst Community Club



**9. Planning. Land Use and Neighborhoods Committee review**

I recommend that the Committee identify and prioritize which subjects it would like addressed in greater detail through additional staff reports or briefing. This might include the following subjects:

1. The need demonstrated by Children's supporting their request for an expanded MIO and MIMP;
2. The request to expand the MIO to Laurelon;
3. The request to expand the MIO to Hartmann;
4. The requested MIO height limits;
5. The proposals for replacement housing resulting from the demolition of Laurelon;
6. Strategies for mitigating height bulk and scale at MIO boundaries, including building siting and design, landscaping, open space;
7. Strategies to address traffic and parking impacts; and,
8. The Hearing Examiner's recommendation.

**Attachments:**

- A. Figure 45, Hearing Examiner's Exhibit 4
- B. Figure 53, Hearing Examiner's Exhibit 4
- C. Figure 46, Hearing Examiner's Exhibit 4
- D. Table, Page 66, Hearing Examiner's Exhibit 4
- E. Figure 34, Hearing Examiner's Exhibit 4



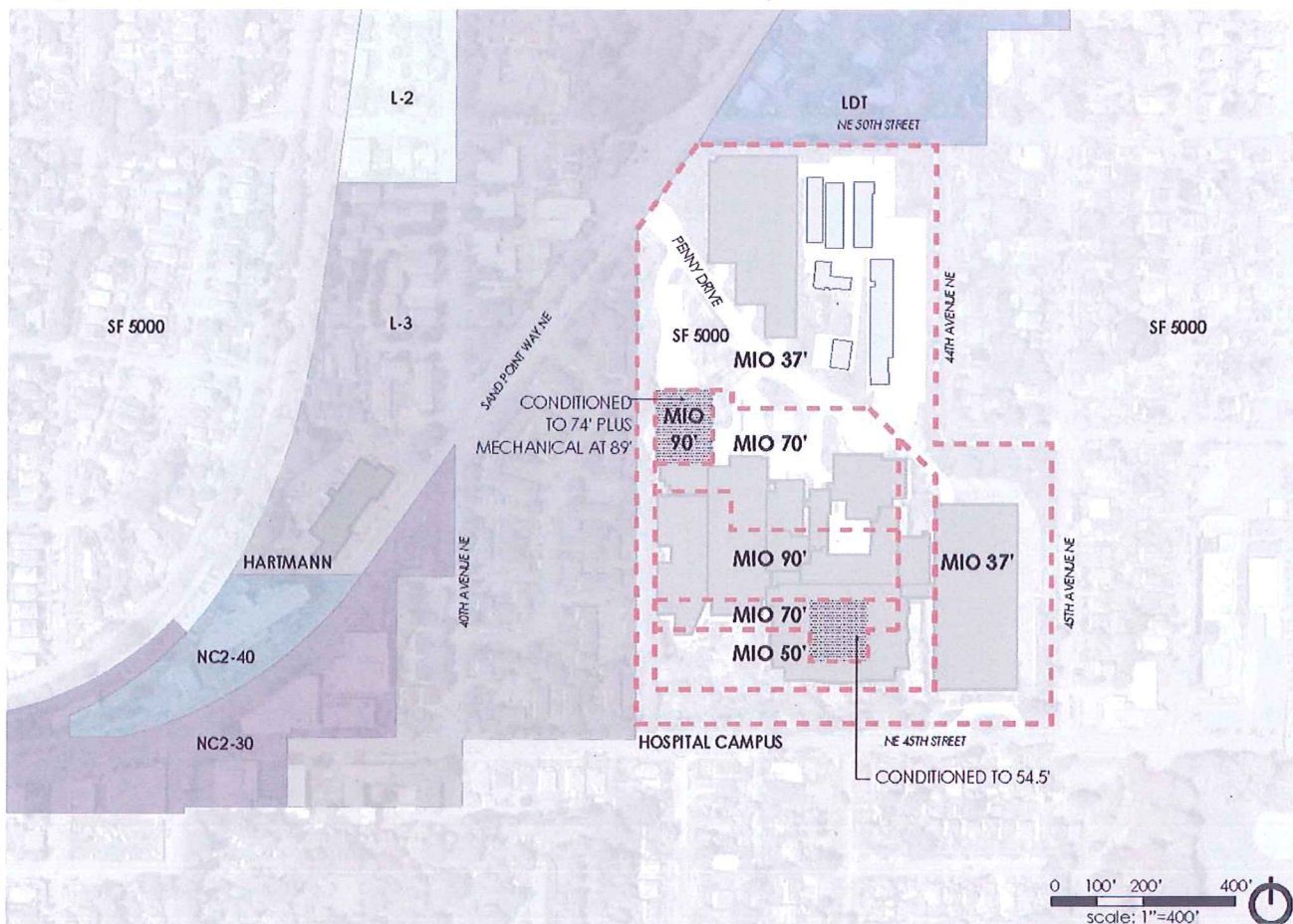
FIGURE 45: EXISTING  
ZONING AND MAJOR INSTITUTION OVERLAY

STATISTICS

ZONING	
SF 5000	Single-family Residential 30' height limit
LDT	Low-rise Duplex/Triplex 25' height limit
L-3	Multifamily Residential, Low-rise 3 30' height limit
L-2	Multifamily Residential, Low-rise 2 25' height limit
NC2-30	Neighborhood Commercial 2 30' height limit
NC2-40	Neighborhood Commercial 2 40' height limit

LEGEND

- MIO Height District Boundary
- Roadways and Surface Parking
- Buildings



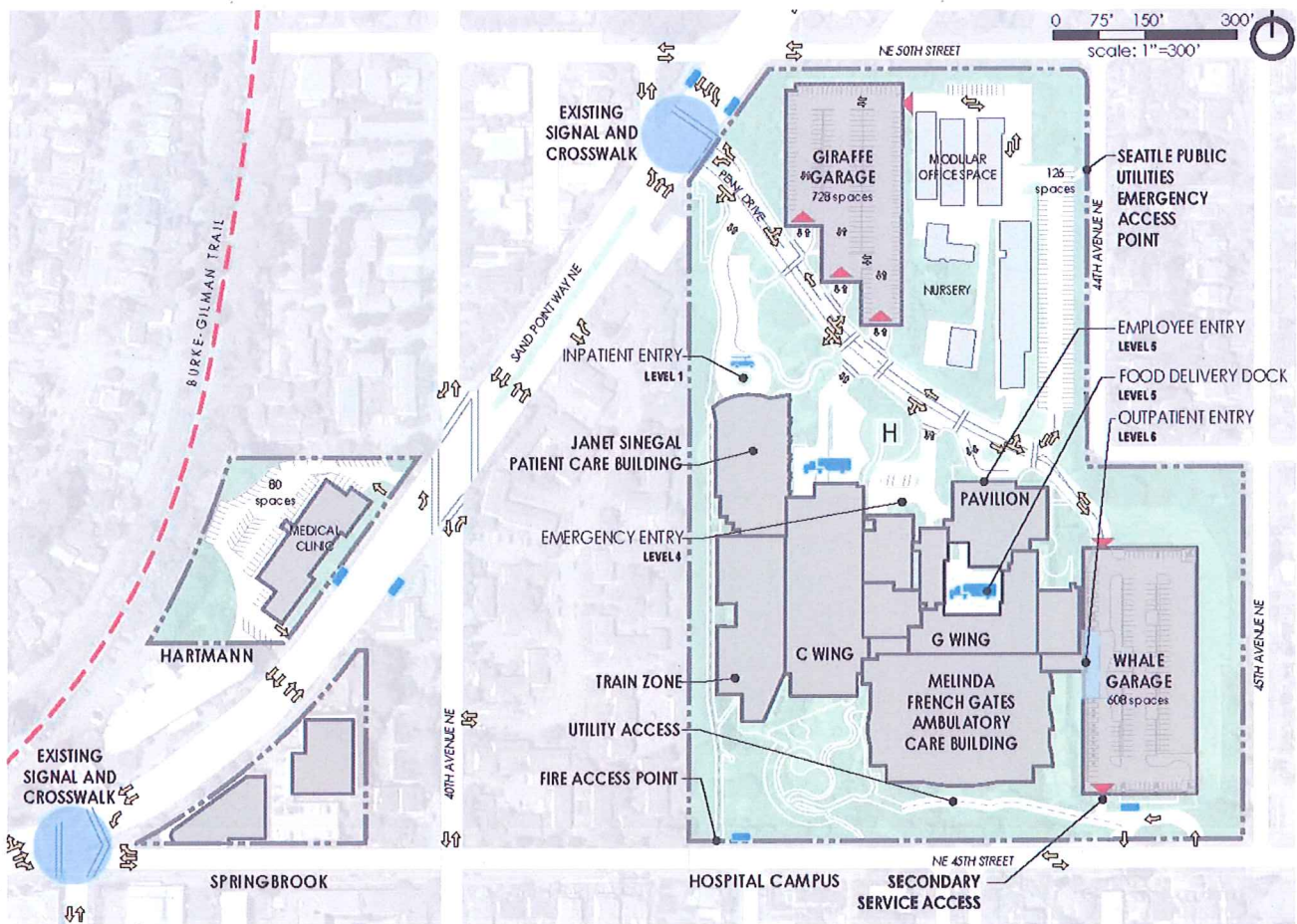
A





FIGURE 53: EXISTING  
TRANSPORTATION AND PARKING

- LEGEND**
- Property Line
  - Campus Grounds
  - Buildings and Parking Garage
  - Roadways and Surface Parking
  - Bus Stop
  - Shuttle Stop
  - Service and Delivery Dock
  - ▲ Parking Entry
  - ▬ Crosswalk
  - Existing Signalized Intersection



B





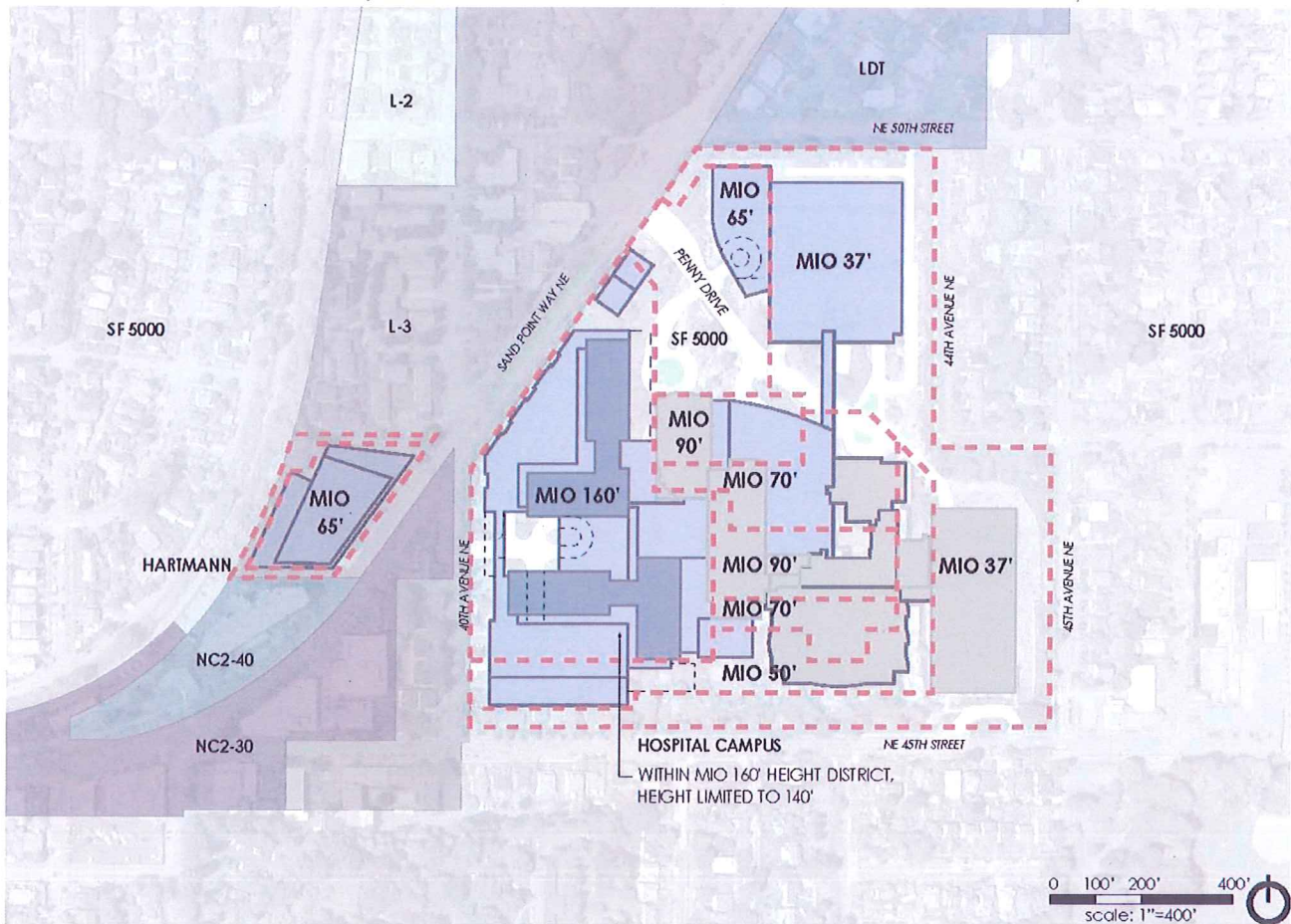
FIGURE 46: PROPOSED  
ZONING AND MAJOR INSTITUTION OVERLAY

STATISTICS

ZONING	
SF 5000	Single-family Residential 30' height limit
LDT	Low-rise Duplex/Triplex 25' height limit
L-3	Multifamily Residential, Low-rise 3 30' height limit
L-2	Multifamily Residential, Low-rise 2 25' height limit
NC2-30	Neighborhood Commercial 2 30' height limit
NC2-40	Neighborhood Commercial 2 40' height limit

LEGEND

- MIO Height District Boundary
- Roadways and Surface Parking
- Lower Buildings
- Taller Buildings





## F. DESCRIPTION OF PHASED CAMPUS DEVELOPMENT

Seattle Children's intends to phase the construction of facilities improvements to its campus over the next 20 years. Overarching goals of the phasing plan are to meet the hospital's growth needs predictably while minimizing development impacts to existing facilities and surrounding neighborhoods.

### Phasing Sequence

Children's anticipated four phases of development are illustrated in Figure 47 and would include the following projects:

- (1) Bed Unit North
- (2) Ambulatory Expansion, Hartmann and Southwest Garage
- (3) Bed Unit South
- (4) North Garage and Office Building

The proposed periods for construction of each phase, together with the estimated square footage of new construction, square footage of demolition of existing campus facilities, added parking spaces and total cumulative parking spaces and square footage of development, are shown in the following table:

Table 1. Proposed Master Plan Phasing

	Phase 1	Phase 2	Phase 3A & 3B	Phase 4
<b>Construction Timeline*</b>	1st Qtr 2010 - 4th Qtr 2012	4th Qtr 2013 - 4th Qtr 2016	(3A) 2nd Qtr 2017 - 4th Qtr 2019 (3B) 1st Qtr 2022 - 4th Qtr 2024	2nd Qtr 2025 - 4th Qtr 2027
<b>Building Square Footage</b>	592,000 GSF	327,000 GSF (150,000 at Hartmann)	592,000 GSF	190,000 GSF
<b>Existing Campus Demolition Square Footage</b>	0 GSF	65,000 GSF (D Wing 47,000) (F Wing 18,000)	136,000 GSF (Train 3B)	0 GSF
<b>Parking Spaces Added</b>	300 surface stalls on campus	1,100 spaces Southwest Garage + 225 spaces at Hartmann	0 spaces	1,167 spaces North Garage expansion
<b>Total Parking Spaces (cumulative)</b>	1,842 spaces	2,787 spaces	2,787 spaces	3,100 spaces
<b>Total Campus Square Footage (cumulative)</b>	1,492,000 GSF	1,754,000 GSF	2,210,000 GSF	2,400,000 GSF

\* Demolition, excavation, shoring and building exterior envelope construction comprises 60 percent to 70 percent of the construction timeline duration for each phase.

0





FIGURE 34: PROPOSED  
MASTER PLAN

STATISTICS

Hospital Campus	
Beds	500 - 600*
Building gross floor area	2.25 million gsf**
Parking spaces	2,875
FAR	1.9
Hartmann	
Building gross floor area	150,000 gsf
Parking spaces	225
FAR	1.9
TOTAL	
<b>Beds</b>	<b>500 - 600</b>
<b>Building gross floor area</b>	<b>2.4 million gsf</b>
<b>Parking spaces</b>	<b>3,100</b>

- LEGEND
- Property Line
  - Campus Grounds
  - Existing Buildings and Parking Garage
  - Lower Buildings and Parking Garages
  - Taller Buildings
  - Covered Walkway
  - Roadways and Surface Parking
  - 1 Construction Sequence
  - H Helicopter
  - Service and Fire Access

\*addition of 250 - 350 beds \*\*\* addition of 1.37 million gsf

